AGN. NO.

REVISED MOTION BY SUPERVISORS KATHRYN BARGER AND JANICE HAHN MARCH 7, 2023

SUPPORT FOR ~~HOUSE RESOLUTION (H.R.)~~ 1201 (NAPOLITANO) – INCREASING BEHAVIORAL HEALTH TREATMENT ACT

Within the U.S. health ~~care~~ system, ~~there continue to be~~ significant disparities and gaps in coverage for the treatment of people with serious mental illnesses continue to persist. ~~Over the last few decades, there have been efforts to address these disparities, including through the parity of health and mental health insurance benefits. Many of the efforts have been successful in bringing about~~ Congress has taken a number of positive steps to address these policy challenges at the federal level in recent decades, including enacting the 2008 Mental Health Parity and Addiction Equity Act, which aims to ensure that insurance coverage for behavioral health conditions is no more restrictive than coverage for medical conditions, and making other significant investments in programs that support the behavioral continuum of care ~~changes~~; however, there is still a significant gap in coverage for low-income individuals ~~people who are~~ in need of inpatient or residential mental health treatment as a result of the long-standing Medicaid Institutions for Mental Disease (IMD) exclusion.

The Medicaid ~~Institutions for Mental Disease~~ IMD payment exclusion was ~~built into the foundation of the~~ incorporated into the original Medicaid statute ~~program~~ in 1965 to prevent states from shifting the entire costs of their state mental hospitals onto the new federal program. ~~Consequently, states~~ It prohibits federal Medicaid reimbursement ~~are prohibited from receiving Medicaid payments~~ for services provided for adults, ages 21 to 64, receiving treatment in an IMD. An IMD is a hospital, nursing facility, or other institution of more than 16 beds that is primarily focused on treating mental illness, including substance use disorder. IMD facilities can be either secured (locked), limiting the outward movement of clients, or they can be open (unlocked) and allow the free movement of clients throughout the surrounding community; the IMD exclusion makes no distinction. As currently understood, this ~~This~~ rule exists, in part, to encourage the delivery of behavioral health care in community settings, rather than in ~~outside of~~ large institutions, but it has inadvertently ~~resulted in contributing~~ contributed to a serious shortage of mental health care treatment beds.

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While the law restricts all behavioral health institutions in LA County, it acutely impacts facilities that many believe should not be captured by this restriction. Specifically, the exclusion applies to settings ~~facilities~~ like licensed "board and care~~s~~" facilities, ~~or~~ crisis stabilization units and short-term residential therapeutic program (STRTPs). Board and care programs are unlocked and provide residents with a permanent, holistic, treatment-focused place to live safely in community. Crisis stabilization units only hold patients for fewer than 24 hours~~,~~ and are temporary triage points in our continuum. STRTPs, and ~~These short and~~ long-term, facilities are critical components of our mental health residential infrastructure~~,~~ and are severely limited by being improperly captured by the IMD definition.

The County is committed to providing individuals with the most appropriate care in the most appropriate setting, and the IMD exclusion limits the County's ability to develop needed inpatient and residential care for those with serious mental illness. Far too often, individuals who need IMD care instead experience repeat hospitalizations, homelessness, and episodes of incarceration. For a County as large as Los Angeles, the 16-bed capacity limit disproportionately restricts our ability to effectively scale up our mental health services. Additionally, through other recuperative care facilities, the County has demonstrated that holistic, community-based care can be provided in larger facilities.

Representative Grace Napolitano has introduced critical legislation that would remove the IMD exclusion for states that have submitted a plan to: increase access to outpatient and community-based behavioral health care; increase availability of crisis stabilization services; and improve data sharing and coordination between physical health, mental health, and addiction treatment providers and first-responders.

H.R. 1201 addresses this longstanding problem by removing the IMD exclusion in a responsible way, ensuring states can develop needed IMD care while also holding them accountable for developing a robust community-based outpatient care continuum in tandem.

WE~~I~~, THEREFORE, MOVE that the Board of Supervisors direct the Chief Executive Office Legislative Affairs and Intergovernmental Relations Branch (CEO-LAIR) to send a five-signature letter in strong support of H.R. 1201 to Representative Napolitano, and the Chairs and Ranking Members of the House Energy and Commerce Committee and Senate Finance Committee, with a copy to the County's Congressional Delegation, and to advocate for the passage of this bill or a similar legislation that would repeal or ease the Medicaid IMD Exclusion.

WE, FURTHER MOVE that the CEO-LAIR advocate that the State and Federal governments use all available authorities and flexibilities – which include administrative actions, and regulatory actions, or waivers to repeal or ease the Medicaid IMD Exclusion,

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